



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Department Name:** District Attorney  
**Department No.:** 021  
**For Agenda Of:** December 11, 2018  
**Placement:** Administrative  
**Estimated Tme:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Director: Joyce E. Dudley, District Attorney, 568-2308  
Contact Info: Michael Soderman, Chief Financial & Administrative Officer, 568-2303  
**SUBJECT:** Agreement with the California Department of Insurance for an Automobile Insurance Fraud Prosecution Unit in the District Attorney's Office, Fiscal Year 2018 - 2019

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**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:** N/A

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

It is recommended that the Board of Supervisors:

- a) Adopt a Resolution approving, ratifying, and authorizing the District Attorney to execute a Grant Award Agreement with the California Department of Insurance for an Automobile Insurance Fraud Prosecution Unit for the period of July 1, 2018 through June 30, 2019 in the amount of \$121,787.00; and
- b) Determine that the above action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), because it consists of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

**Summary Text:**

The Automobile Insurance Fraud program is designed to prosecute automobile insurance fraud cases which are investigated by various law enforcement agencies. Board approval is required to receive grant revenue and continue this program in Fiscal Year 2018-19. In order to meet state deadlines and properly receive the grant funding, the District Attorney preliminarily executed the grant agreement pending formal authority from the Board of Supervisors.

**Background:**

False insurance claims are a serious problem across the United States. The latest data from the Department of Insurance (DOI) indicates that automobile insurance fraud continues to be on the rise in Santa Barbara County. There is a direct correlation between automobile insurance fraud and increases in insurance premiums. These factors led the Santa Barbara County District Attorney to develop the Automobile Insurance Fraud program, which brings together local businesses, the DOI, and the District Attorney to tackle automobile insurance fraud in Santa Barbara County. This is the fifth year of the program.

The program is financed through fees assessed by the State Insurance Commissioner as part of the automobile insurance rates. The long term goal of this initiative is to reduce automobile insurance fraud in Santa Barbara County through crime prevention and deterrence, to be accomplished with a combination of community education and criminal prosecution of fraud cases. Currently, there are three active cases being prosecuted (three felonies) charging three defendants with insurance fraud.

**Fiscal and Facilities Impacts:**

Budgeted: Yes. Revenues and appropriations are included in current and future budgets.

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			
State	\$ 121,787.00	\$ 121,787.00	
Federal			
Fees			
Other:			
Total	\$ 121,787.00	\$ 121,787.00	\$ -

One Deputy District Attorney (DDA) and a part-time District Attorney Investigator will work on automobile insurance fraud efforts Countywide. Fiscal Year 2018-19 funding includes the award of \$115,000, as well as prior year carryover of \$6,787, for a total allocation of \$121,787. This includes \$110,468 in Salaries and Employee Benefits to partially-fund one DDA and one Extra-Help DA Investigator, \$4,556 in operating costs, and \$6,763 in overhead associated with the program.

**Staffing Impacts:**

<b><u>Legal Positions:</u></b>	<b><u>FTEs:</u></b>
Deputy District Attorney I	0.50 FTE
District Attorney Investigator I	0.155 FTE

**Special Instructions:**

Please return one (1) Minute Order and one (1) duplicate original Resolution to Nicole Acosta.

**Attachments:**

- Attachment A: Board Resolution
- Attachment B: Grant Award Agreement

**Authored by:**

Nicole Acosta, Department Business Specialist (x2413)